

Minutes of the Redevelopment Agency of Murray City held Tuesday, December 13, 2005 in the Murray City Council Conference Room, 5025 South State Street, Murray, Utah.

1. Review and Approval of Redevelopment Agency Minutes of November 22, 2005

Approval of Minutes was deferred until the next meeting.

2. Discussion of Fireclay Avenue road extension and railroad crossing.

Keith Snarr reviewed the proposal received from Silverado Development on behalf of Don Mullen for the construction of the railroad overpass structure and road extension.

Krisel Travis reviewed the proposal for a bridge structure spanning the Union Pacific railroad right of way. Wadsworth construction who has been retained by the development group indicated that building an overpass structure was much more feasible and half the cost of an underpass structure. The proposal includes widening Fireclay Avenue to the 66 foot right of way required by the TOD Ordinance on the East side of the rail line and to connect Fireclay to 300 West. The total right of way length is approximately 816 feet from the TRAX line to the bridge structure and 667 feet to 300 West from the structure. The structure will be about 30 feet tall. The length of the structure is proposed to be 70 feet. The structure would include MSC engineered concrete walls which are typical of bridge structures along the I-15 corridor. The bridge would include lighting and rail fencing along the top.

The contractor indicated that railroad approval could be obtained in 9 months and then begin construction could begin. Full approval would take about 9 months, but construction could be started in about 6 months. Proposed timeline for completion is one year.

The developer would obtain the initial financing for the structure and coordinate the construction. The developer would then seek to sell the road to Murray City after a period of 2 years. The cost is \$3,322,000 as proposed including right-of-way acquisition. That doesn't include utilities other than the lighting on the structure.

Jim Brass expressed concern over the height of the structure. He asked to see renderings that would show the visual impact of the bridge on the surrounding development. The bridge will be a divider in the project.

Mayor Snarr expressed desire to consider pedestrian connections north and south underneath the bridge structure.

Jeff Dredge asked Krisel what interest rate had been used to calculate financing cost.

Krisel answered that the costs have been calculated using 8% interest.

Jeff Dredge asked Jim Matsumori what financing rate the city could obtain.

Jim Matsumori answered the city could obtain financing at about 5%.

3. Discussion of preliminary site plan concept for Midtown Station (Simpson Property LLC – Don Mullin)

Krisel Travis introduced the preliminary site plan for Midtown Station.

“You have received a packet of our proposal and as with the last item, we are also concerned about the divide that this overpass can create, but we also can see it as a potential for a private space for the homeowners. I think with the right aesthetics on the bridge, the street lighting, a walkway, some benches, we can turn it into a place that is not going to be quite as intimidating or ugly.

The Midtown Station project is located at the end of Fireclay Ave. on the old Simpson Steel parcel. There is about 20.9 acres of land. We have about 29 units per acre and that gives us about 600 units in this project, as you know we have to have a second access to accommodate those units. We do have approval from UDOT for an emergency exit onto 4500 South that will be gated and locked. We’re trying to comply with the design guidelines that have been adopted with the TOD ordinance. We have several different types of material, stucco, brick, rock and siding. We also have a lot of metal railings and awnings. All of the utility equipment would be screened, because most of the mechanical equipment would sit on the roofs of the buildings. The roof is flat with a parapet façade. We are proposing both condominium stacked flat units and 2 ½ to 3 story townhomes. We have two clubhouses included in the project as well as swimming pools, a tennis court, tot lots. As we have it designed right now we have underground parking proposed for over 75% of the parking. As we have looked at this condominium project the costs are quite high of course, but we would propose that the RDA would hopefully participate with us in infrastructure, being the bridge and the 300 West extension of Fireclay Ave, utility upgrades and any public roadway improvements that may need to be done. We also would like to explore the option of city participation in underground parking. If we can get participation with the underground parking, it helps our density and we’re able to get a higher density. Also there are environmental mitigation costs. There are also potentials for additional land purchases to help this project be more expansive, including Royal Auto and Advanced Foam Plastics. We haven’t looked at relocating Advanced Foam Plastics at any length.

Mayor Snarr

If the RDA board participates on these items, I think you can get more money out of these units by building a unit that’s a little more pricey, with aesthetic upgrades and underground parking; I can see that. I can see what the price point is in other places in Murray, I think you can get more money out of them.

Krisel Travis

We're proposing that we would have a wide variety of floor plans available and a wide variety of price ranges. Of course the upper units are going to have better views and be more desirable and demand a higher price. The townhomes are more individualized. Our townhomes would start in about the 145,000 range and go up as high as 200,000 depending on the sizes of the units and the density that we're able to lay in. The stack flat condominium units would probably start around 130,000 to 135,000 and as you go up and the different floor plans would dictate different markets, but that's the kind of pricing that we're structured for.

Jim Brass

One thing I'm concerned about looking at the plans, we have a vision for this project as a true mixed use community. What I see here is a different variation of the proposals we've seen all along, a lot of high density housing, nothing else. I'm not sure how to stress how dedicated we are to the vision, and it continues to be a concern. I agree with the Mayor, I think we can do better, I think we can do better on the price point. I'm concerned that we are setting our sights a little low for this area; that with the hospital being built that's a world class facility, I think that one station north of that could be world class as well. We only have one shot to do this, and particularly if we're going to use RDA funds, I'd like to see it done well.

Don Mullen

If you were to raise the price, you're not really going to change the quality of construction, this is pretty high quality construction. If we're talking just price point, another project that we're just finishing up in Lehi over the course of the project the price range has increased 20%.

Jim Brass

Maybe I'll put it a different way. The pictures that you have included in this presentation and past presentations of projects that are done, when I look at the exterior of the buildings, the buildings are not unattractive. Your rendering was not unattractive, what is unattractive is that I see parking lots, not green space. A walkable community to me by definition is not parking lots. As you said, you wouldn't feel safe walking through a tunnel. Most people don't feel safe walking through parking lots at night. We'd like to see green space.

Jeff Dredge

I'd just like to say, if this is the first piece of the project that goes in, what I'd personally like to see is that it sets a precedent for the vision that we have of this area, which is the mixed use and I'm also concerned about price point, over in my area I have Hunters Wood's condominiums and in many respects, this looks like an apartment complex, and I think that we're looking for a little more than an apartment complex.

Don Mullen

Can I make just a clarification. Would you like to see something that's more of a suburban design as opposed to an urban design, more green space, not as high density?

Krista Dunn

I think that's the theme of a TOD, is to take an urban area and make it feel like you're in the suburbs. Really because you're looking at more green space, more walkable areas, more of that comfort than what you would typically see in an urban downtown area.

Jim Brass

Maybe somewhere in between. I had the opportunity to attend a conference in Denver, we were ten minutes from downtown, you could walk from the conference hotel to the hotel I was staying at. It was a couple blocks from the governors mansion, real close the art museum, a lot of multi story residential areas. It was older, but wide sidewalks, a nice grass buffer, they had cars parked up and down the street. It didn't feel like you were right there with the traffic. That's kind of what the TOD is about. We were right downtown and it was nice walking around. You'd hit areas where there were restaurants and you could eat outside if you so desired and then walk back to wherever it was you were staying. That's what I have in my head.

Krista Dunn

The one thing about this group from the onset, is that we have a very similar vision of what this is and when Jim is speaking, I'm sitting here thinking, yes, that's what our vision is.

Pat Griffiths

I concur, I think that we're unified in that concept.

Don Mullen

Lets take a look at that. We do have some constraints that we can't breach. We have the ordinance itself, we also have the economic factors. Within that we'll go back and see if we can get something that starts to get closer and then we'll refine.

Jim Brass

Let me be perfectly blunt. You have a shopping list of participation there for RDA money. I think we would be more agreeable to looking at some of these other issues along with the infrastructure that we are committed to do for the right project, if we have the right project. Otherwise, the answer is no.

Krisel Travis

So if I understand, what you are looking for is a little less dense than what we've got with more setback from the sidewalks, because we currently have ten foot sidewalks. The way the TOD is written, it's the road and then the sidewalk and then there's a five foot buffer strip. So you would like to see possibly the building set back farther from the street, keep the ten foot sidewalk, but that would add green space. But when you do that, it decreases the density possibilities.

Krista Dunn

Also I think at least speaking for myself, I'd rather see more space with less density than putting in 600 units. I'd rather see something that's a little stepped up from where you're at.

Jim Brass

The design doesn't give me as much heartburn if there's not 25 of them jammed together with nothing in between.

Jeff Dredge

You reference some of the building in Utah County, and what you've got there is townhome after townhome after townhome that have the same cookie cutter look and feel of rental apartments for students down there. I don't want to see that in this, I don't want it to look like an apartment complex, or as many condos as we can shove in the smallest possible area.

Robbie Robertson

What we do here is going to set the tone for the entire development.

Krista Dunn

The other concern I have, and it was somewhat alluded to, is just building after building of housing with nothing else in the middle of it. I'm a little concerned if we have blocks of housing with none of the smaller commercial and other stuff mixed in with it, you're not really a TOD.

Don Mullen

Our problem is we have not been able to find any brokers that give us any hope that any commercial would survive inside of here.

Krisel Travis

The townhomes are designed with an office space on the entry level so there is office for live/work possibilities in the townhomes. They have that element designed into them. A small daycare facility would fit there as well. We're not talking café on the corner, but the three story townhomes do have an office flex space in them.

Don Mullen

I know they tried that down at the Riverwoods and I know this is Murray, but that is a place that was more prone to retail, but here no one's going to see any glimmer of hope that anything is going to work in there and survive.

Jim Brass

One thing that keeps getting put in front of us are different areas that have done these. Envision Utah came in last week talking about density and more efficient use of transportation and Portland is always the favorite. I look at the smaller specialty restaurants that are being built in neighborhoods that are thriving and their parking is horrendous, yet they are thriving because it is a specialty restaurant. I think that

something like that might work, the GAP, no I doubt it, but a café or something unusual could. Again I'd rather set my sights a little bit high than not and give it a shot.

Jeff Dredge

Like it or not, somewhere in here between the economics of what you're trying to accomplish and the vision we have, have to come into balance. We realize that you need to get a return on your investment, but its more important to us right now that we set an appropriate precedent for the future. Because if we set the precedent for those who go in first, it will do nothing but increase your value.

Don Mullen

Where we make our money on these projects is at the end of the project, and what happens if we have empty commercial space that is just sitting there with nobody inside of it. It really makes it tough, it affects peoples feel about what the neighborhood is. We'll take another look at it.

Krisel Travis

Would it be acceptable, because we all know that the market right now is not ready for this type of community, we've seen it along the Wasatch front with these that haven't succeeded. But if we were to design something that could be converted at a later date, say the first floors were ten to twelve feet high so that some commercial business could come in and purchase a couple of these units.

Jim Brass

I think I'd rather see a presentation along those lines than not. Convince us. If you have numbers, if there are studies, then we have to take a look at that. But right now, we recognize we're trying to do something unique here. Again, we're not ready to abandon that yet.

Mayor Snarr

As I've traveled throughout the United States, I've always been intrigued by what makes nice high density communities work. I've seen some real high density and then they'll have a big open area where people can go down and recreate and go for a stroll. The density is actually really high and they've gone up, but then the green open space down below.

Don Mullen

Nothing as big as what we're proposing has ever worked in Salt Lake County other than downtown. Everything that people have tried to build in Salt Lake County which has been a building of this size has failed.

Jim Brass

But again, I keep going back to the hospital. Nothing like that has ever been in Salt Lake County. Nothing like that has ever been built in the entire state. That is a unique driver and I think we consistently underestimate all the impacts that is going to have.

Mayor Snarr

There are people that are coming in from across the country looking at development of areas around the hospital and they've been there and done that and have been successful with similar projects around hospitals, but none of this magnitude. They have all said that with what you have here, the development opportunity is absolutely incredible.

Krista Dunn

We have a vision, we know what we want and we realize that this is a first and that businesses may be hesitant, but the reality is we're talking about 500-600 units, we're creating the patrons for the area, just with the residents. At some point we have to take a chance.

Don Mullen

We're appreciative of this direction. We thought that we would come in here today and you would complain about our density being too low.

Jim Brass

Don't get us wrong, just add a little green. The whole point of this project is to do a little something different with density.

Krista Dunn

And make it something that doctors at the hospital don't skip over this because its not a nice place to live. We need to create something that will make people want to be here.

Pat Griffiths

I had a thought. Its easy for me to know if I like something if I see it. Perhaps what we need is to look at the whole area and get some renderings of what could be and then it would be easier for me to see what we visualize for the whole project. That's the part that's difficult for me. I think I know what I would like it to be, but its difficult for me not being able to draft that to show you.

4. Discussion of Cottonwood Street decorative street lighting.

Keith Snarr

Gary Merril inquired if there are resources in the RDA to help do decorative lighting on Cottonwood Street.

We need to make a decision now whether we want to contribute to this project. There is money in the RDA that we have set aside for projects in the CBD Area. We've talked to Don Whetzel and he said there would be no problem in loaning the funds from the CBD RDA to the Smelter District RDA and then reimbursing the CBD.

Tom Harvey addressed the board and reviewed that plan for lighting on Cottonwood Street and Vine Street to State Street. The cost for the basic cobra head lights would be \$79,000. The additional cost on top of that for the decorative lighting would be \$102,000. The additional cost to continue to State Street along Vine Street would be an

additional \$100,000. From the bridge all the way to State Street with decorative lights would be an additional \$200,000 on top of the \$79,000 base cost.

Jim Brass expressed concern with the additional cost of decorative fixtures along Vine Street that would provide significantly less light and the same operating cost.

Jeff Dredge asked about the background behind the proposal to use decorative lighting.

Doug Hill

What really brought about the discussion of decorative lighting is the timeframe for the power department. Originally they were planning on putting in the cobra head lighting and the power department looking purely at practical costs and effectiveness would just go with the cobra head lighting. But there is a group and I would be one of those, that feels like a decorative lighting can achieve another goal that goes beyond just a very practical perspective of putting in a basic light. So when there was discussion about putting in these new light poles, Dennis Hamblin, myself, Keith Snarr, Gary Merrill, Jan Wells and the Mayor met and felt that this was an opportunity. Years ago there was discussion about what kind of light fixtures do we want to put on the Cottonwood Street Bridge and we made the decision at that time, whether it be right or wrong, to put decorative lighting, although they're just single headed lighting. The reason that we did that was that we thought someday it would be nice to tie in that whole area as you come into the downtown central core area of Murray City and that's really the concept behind this is that Vine Street ties into the downtown area and eventually the goal might be, if the funding can be secured is to go beyond Cottonwood Street and Vine Street and go further down State Street. There has also been discussions about taking the decorative lighting east of State Street down Vine Street and east of State Street along 4800 South.

Jim Brass asked about the budget on the Smelter Site RDA and the involvement of the taxing agency committee.

Don Whetzel stated that there is \$280,000 in the CBD RDA Budget for any projects that could come up in the RDA.

Jim Brass clarified that option 11 is the desired option at \$202,409

Pat Griffiths

Something that bothers me is that during my tenure, several residents have asked about the possibility of putting decorative streetlights in the residential areas and the rationale that we were given by the power department on those inquiries is that over time the parts become obsolete, its difficult to find replacement parts and it's not economically feasible. So we start putting decorative lights in business districts and residents think that it's good enough for the businesses areas, but we can't put it in our neighborhoods.

Mayor Snarr

This is a commercial grade lighting and the issue is the amount of light you need in these areas. In the residential areas we've found that the cobra head lighting actually provides

better lighting. In my neighborhood we had those little lights and we changed them out and went with overhead lighting and most of the neighbors said that it is a lot better. Over here in the business district there is a lot of light spillage. Although the decorative lighting doesn't have the light capacity of the cobra head light, we get a lot of spillage out the UTA TRAX parking lot, out of the hospital parking light, so they are more of a decorative light, but they're mostly for main corridors instead of neighborhoods.

Jim Brass

There are lighting standards for roadways, and that's always been a concern that once we start doing that, you need to meet those minimum standards.

Krista Dunn

One thing we've wanted to do with the CDB area is to set it apart and make it something that's attractive that we want to attract businesses and residents to. I think that Doug is right, this is one component that would set it apart. I have no problem with decorative lighting, and I'm not sure we're trying to accomplish a super light area. The only thing I think we need to be talking about is how the loan may be paid back.

Pat Griffiths

Aesthetically I think its wonderful, but there's just this pragmatic part of me that has concerns.

Jim Brass

Do we want to agenda this for a decision?

Doug Hill

As I understand this, the power department is in a hurry to get this going, they have to have this completed in order to meet IHC's schedule for landscaping which needs to be installed by March. I think there is some time to make decisions. Also I believe the thinking was that because the funds were already included in the RDA budget for the CBD that it didn't require any official action.

Frank Nakamura

The issue as I see it is that it's being used outside of the project area. That's the problem.

Keith Snarr clarified the precedent and procedure of loaning funds from one project area to another.

Tom Harvey stated that the Power Department would be using an outside contractor for this project and needs a month for the bid process before commencement of the project.

The RDA Board directed staff to check the RDA plans for language and guidelines concerning the legality and procedure for this matter. Pending this investigation the board indicated their support for the complete decorative lighting project.

5. Adopt Meeting Schedule for 2006

Krista Dunn moved to accept the meeting schedule
Seconded by Robbie Robertson

5 Ayes

0 Nays

The meeting was adjourned.